REMARKS

Original filed Claims 1-31 are rejected under 35 U.S.C. §103(a) as being unpatentable over the patent to Rando et al. (RE37, 166 and hereinafter also referred to as Rando). A number of claims have been amended including all three of the independent Claims 1, 18 and 24. Claim 7 has been cancelled and new Claims 32 and 33 have been added. Reconsideration of the rejection of Claims 1-6 and 8-31, together with consideration of new Claims 32 and 33, is respectfully requested, particularly in light of the amendments made to the claims that patentably distinguish them over the prior art including the Rando patent.

The present invention is directed to a system that combines features related to both redeeming coupons so that the coupon user (customer) is compensated in some way as part of the redemption process and reimbursing the retailer for the redeemed coupons. According to the present invention, the retailer or other acceptor of the redeemed coupons does not have to wait an inordinate amount of time before being reimbursed for the monies that the retailer paid out to the customers who present coupons for redemption. None of the prior art of record discloses a methodology or a system that combines these two key features in a cooperative, communicative system.

The Rando patent describes a system that handles only the redemption of coupons, not verification of proper coupon redemption and reimbursement to the retailer, as defined by Applicant's claims. Specifically, the Rando invention has one or more bar code scanners that read the coupons and the bar codes on products being purchased by the consumer. A comparison is made between the purchased products and the coupons offered for redemption. If a coupon is validated (a purchased product corresponds to the coupon being redeemed), the customer having the coupon for redemption is compensated, such as by receiving a discount for the product purchased over the identified sales price. After validation, the coupon may be punched or otherwise canceled, and/or sent to a secure container.

In the "Background of the Invention" section of the Rando patent, particularly column 1, lines 44-68 and column 2, lines 1-22, information is set out related to another system for validating a coupon. This system is described as including an "auxiliary coupon reader system." This coupon reader system is in addition to the point of sale (POS) scanner that obtains information concerning the consumer items presented for purchase by reading the bar codes on the products. With regard

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to validating the coupon presented for redemption, a cable interconnects the product bar code scanner with the auxiliary coupon reader system. Coupon validation is used to determine the amount to be paid to the consumer for the redeemed coupons. No mention is made concerning reimbursement of the retailer for the monies paid out to the consumer for the redeemed coupons.

With reference first to amended Claim 1, these important differentiating aspects of the present invention are more clearly set out. Claim 1 calls for, among other things, the step of redeeming a plurality of input coupons. A main computer system is used in the redemption step that includes a first coupon input device. The step of transporting a plurality of verifying coupons to an auxiliary computer system that includes an auxiliary coupon input device is also recited. The verifying coupons are the same as the input coupons when the redeeming step is properly conducted. Such proper conducting can include redeeming only those coupons that accurately correspond to purchased products. On the other hand, one of the verifying coupons may include a coupon that does not correspond or match accurately with a purchased product.

Importantly, Claim 1 requires that a making a determination step includes comparing input coupon information with verifying coupon information. The verifying coupon information is input to the auxiliary coupon input device, such as by the auxiliary coupon input device reading the verifying coupon information. Consequently, the present invention requires providing two sets of coupon information (both input and verifying coupon information) and comparing these two items of information. In contrast, the Rando invention inputs coupon information and inputs product information and then validates/invalidates the coupon by making a comparison. There is no teaching or suggestion of inputting and comparing two sets of coupon information. Regarding the alleged prior art system mentioned in the Rando patent, like the Rando invention, it inputs coupon information and inputs product information, but using two different scanners. Like the Rando invention, the coupon information is compared with the product information. This is a critical difference since Applicant's invention is directed to providing both coupon validation and coupon reimbursement to the retailer or other acceptor of the redeemed coupons, whereas nothing in the Rando patent teaches the combination of features in order to provide both these functions.

Relatedly, the making a determination step also includes determining whether a match exists between the verifying coupon information and a number of products identified when the plurality

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of input coupons are redeemed. This limitation emphasizes that the present invention involves not only comparing two sets of coupon information (input and verifying), but also determining whether a match exists involving the verifying coupon information and the purchased products. Again, the Rando patent discloses systems in which there is only a determination or comparison made between redeemable coupons and products purchased, at the time of redemption or validation, not additional steps involving reimbursement.

Claim 1 also recites the step of generating non-match information related to at least one non-match between the input coupon information and the verifying coupon information. Not only does Rando fail in comparing two sets of coupon information, it also is deficient in generating non-match information when a lack of correspondence is found between these two sets of coupon information.

Lastly, Claim1 requires the step of reimbursing for at least some of the plurality of input coupons. The reimbursing step is conducted within five days of the making step. Hence, not only is there a redeeming of a plurality of input coupons by which the consumer is compensated, there is also reimbursement that can be made to the acceptor of the same coupons. The contention is asserted that the limitation directed to the reimbursing step being conducted within five days of the making step constitutes a "business rule." Applicant respectfully disagrees. Any reasonable time period for reimbursement could be utilized, such as any selected day for reimbursement that is meaningfully less than the number of weeks that the prior art teaches for implementing reimbursement. Applicant selected five days to emphasize the promptness of the reimbursement and clearly distinguish it from the prior art, although another day limit could have been selected that also distinguishes the prior art.

If the rejection of Claim 1, as now amended, should be maintained, it is respectfully requested that it be pointed out with specificity how each and every step, as well as the elements associated therewith, are found in the Rando patent, particularly where the Rando patent is not concerned with both redemption and reimbursement, is not concerned with comparing two sets of coupon information, which comparison is different from the redeeming step and different from the step of determining whether a match exists between verifying coupon information and products purchased, together with generating non-match information based on the comparing step. Unless

a convincing showing can be made that meets all terms of the claim, it is respectfully submitted that Claim 1 should be allowed.

Claims 2-6 and 8-17 depend, directly or indirectly, from Claim 1. Each of these claims has limitations not found in Claim 1 and each is patentable over the prior art based thereon. For example, Claim 5 requires the step of providing money to the retailer to compensate the retailer for some of the plurality of input coupons before they are transferred from the retailer facility. Neither the Rando patent nor any other prior art, discloses this limitation. Similarly, Claim 6 also requires providing a money payment to the retailer for at least some of the plurality of input coupons. Claim 8 recites the step of ascertaining whether reimbursement is to be provided for non-matched verifying coupons. Again, reimbursement is in addition to redemption and the prior art fails to teach the combination thereof, including whether reimbursement is to be provided for non-matched verifying coupons. Similarly, Claim 9 requires that the ascertaining step include an inquiring of the retailer involved with the redeeming step whether to reimburse. No such step is found in the prior art. Claim 10 requires the use of additional coupon information from the main computer system. The additional coupon information is associated with additional coupons that were redeemed after the plurality of input coupons were redeemed during the first time interval. This claim emphasizes the step of taking into account the fact that coupons being redeemed can be redeemed at different time intervals and involve different customers. Consequently, steps must be included to make sure that all proper coupon information is available in determining whether a match exists as part of the reimbursement, not redemption, process. Claim 11 calls for additional coupon information associated with additional coupons and using that information in connection with a second plurality of input coupons. And Claim 11 also calls for not only utilizing or taking into account additional coupon information when the plurality of input coupons are used, but also when the second plurality of input coupons are used, as part of the match determining process. Claim 12 requires the further step of generating match information. Thus, both non-match and match information can be generated. Claim 13 has the step of generating reimbursing information in which reimbursement was provided even when there was no match between at least one of the verifying coupons and the input coupon information associated with the plurality of input coupons. Claim 14 calls for generating non-reimbursement information. Claim 16 requires that, after the reimbursing step, at

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least some of the plurality of input coupons are sent to an agent of one or more manufacturers and without sending them to a clearinghouse involved with clearing coupons. This step contrasts significantly with known prior art related to reimbursement in which redeemed or validated coupons are sent to a clearinghouse for clearing purposes.

In view of these numerous and patentable distinctions related to Applicant's methodology for both coupon redeeming and reimbursing, dependent Claims 2-6 and 8-17 should also be allowed.

Claim 18 is an independent system claim. The system includes a main computer subsystem and an auxiliary computer subsystem. The auxiliary computer subsystem has a first processor. The first processor is used in determining whether a match exists between the first plurality of input coupons and the first plurality of verifying coupons. As with Claim 1, the Rando patent does not disclose a processor that is used in any determination related to finding out whether a match exists between two sets of coupons (input and verifying coupons). Instead, the Rando patent discloses a determination related to products purchased, based on their bar codes, and coupons. The advantage of Applicant's invention is that a separate determination is made regarding whether to reimburse the coupon acceptor, as well as providing redemption for the coupons to the consumer or user of the coupons. The Rando patent, on the other hand, only describes systems that redeem or validate coupons for compensating the consumer, not reimbursing the acceptor, such as the retailer.

Claim 18 also requires that the main computer subsystem include a communications interface, at least one processor and a storage. The storage stores identification information and product information. The identification information relates to coupons that are input and the product information relates to products that are being purchased. The identification information and the product information are part of the input coupon information that is received by the auxiliary computer subsystem. In contradistinction, the Rando invention has no such main computer subsystem that can download the input coupon information to be received by an auxiliary computer subsystem. Rather, the Rando invention has one or more bar code scanners that scan bar codes from products and bar codes from coupons. As part of the coupon validation process, a comparison is made using these two items of information. There are no separate main computer and auxiliary computer subsystems that communicate as required by Claim 18.

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In the rejection of Claims 1-31, the Examiner states: "Rando acknowledges the use of a POS terminal for accepting coupons, an auxiliary unit for verifying the coupons and the method for reimbursing the retailers." Initially, Applicant questions where in the Rando patent support can be found for this statement. As just pointed out, the Rando invention does have a scanner for reading coupons and hardware/software for validating coupons. However, it fails to disclose the particular system recited by the limitations of Claim 18 directed to reimbursement for the redeemed coupons. Unlike Claim 18, the Rando invention does not have a main computer subsystem with a communications interface, at least one processor and a storage, together with a separate auxiliary computer subsystem that includes at least a first processor. The Rando invention, at best, has one computer subsystem, not the defined computer subsystem and auxiliary computer subsystem. This is to be expected because the Rando invention is not concerned with using two sets of coupon information, not one set of coupon information and one set of product information.

If the Examiner is asserting that the alleged prior art system described in the "Background of the Invention" of Rando teaches an "auxiliary unit" since it is described as an "auxiliary coupon reader system," Applicant submits that such reliance is misplaced. As described in column 2 of the Rando patent, particularly at column 2, lines 3-22, an auxiliary coupon reader is connected by cable generally between the product bar code scanner and the POS system. Due to this connection, the product information could be received by the auxiliary coupon reader system and a coupon validation determination can be made by comparing the coupon information from the auxiliary coupon reader system with the product information from the product bar code scanner. From this, it is seen that there is no comparison or other determination involving two sets of coupons (input and verifying coupons). Furthermore, there is no mention, as required by Claim 18, of a storage that stores the input coupon information (identification information and product information) for downloading and which is received by the auxiliary computer subsystem. Instead, a cable is used to directly supply or communicate the information from the product bar code scanner to the auxiliary coupon reader system. As noted previously, the present invention achieves other advantages and different objectives than those served by this alleged prior art system.

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Based on these substantial patentable distinctions, reconsideration of the rejection of this claim should result in a finding that the Rando patent does support a proper finding of obviousness. Therefore, Claim 18 should be held allowable.

Claims 19-23 depend from Claim 18. Each of these claims has further subject matter that limits the inventive system of Claim 18. Claim 19 limits the auxiliary computer subsystem to receiving additional coupon information related to additional coupons that are different from the first plurality of input coupons. The additional coupon information is taken into account when determining whether a match exists between the two sets of coupons (input and verifying coupons). The additional coupon information may be necessary to determine whether there is a match since the first plurality of verifying coupons may include coupon information, which is in addition to that of the input coupon information received from the main computer subsystem. This aspect of the present invention is nowhere to be found in the prior art, including the Rando patent, since the Rando patent fails to teach or suggest the verifying coupon information defined by Applicant's invention. Likewise, Claim 20 further limits the additional coupon information to be coupon information associated with second sets of input coupons and verifying coupons. Claim 21 further limits the auxiliary computer subsystem to include a storage memory that stores match and non-match information based on the two sets of coupons (input and verifying coupons). Claim 22 requires that the storage memory of the auxiliary computer subsystem also store information related to whether a reimbursement was made for the second verifying coupon that did not match with the first plurality of input coupons. Claim 23 requires another hardware item to be part of the auxiliary computer subsystem, namely check printing hardware. The check printing hardware provides a check used to reimburse the retailer. This particular hardware and claim limitation is not found in the Rando patent. The Examiner states that the Rando patent teaches a method for reimbursing. Even if that were accurate, the Rando patent does not teach or suggest this specific way of reimbursing the retailer.

In light of the foregoing, the dependent claims have patentable subject matter that further distinguishes them from the prior art, including the Rando patent. Dependent Claims 19-23 should also be allowed.

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Claim 24 is the last independent claim, which is directed to a method involving the handling of coupons. The claim recites the steps of providing a main computer subsystem, inputting the first plurality of input coupons for redemption from at least a first customer, and inputting a first plurality of product information related to products being purchased. The method also requires redeeming at least one of the first plurality of coupons for this first customer using the input coupon information and the first plurality of product information.

In addition to these coupon redemption related steps, the method involves steps related to reimbursing the retailer who accepted the coupons. In particular, Claim 24 requires communicating the input coupon information and the first plurality of product information to the auxiliary computer system using the main computer subsystem. Additionally, the step of transporting a first plurality of verifying coupons to the auxiliary computer subsystem is conducted. Using the auxiliary coupon input information device, the verifying coupon information associated with the first plurality of verifying coupons is input. Significantly, the step of determining a correspondence between the verifying coupon information and the input coupon information is performed. In contrast, the Rando patent discloses redemption of validated coupons; however, it does not disclose Applicant's way of reimbursing the retailer. More specifically, there is no teaching or suggestion in the Rando patent related to a step for determining correspondence between verifying coupon information and input coupon information, which step is different from the redeeming step. Moreover, the determining step involves correspondence between two sets of coupon information, not coupon information and product information. Related to this point, Claim 24 further requires the step of ascertaining whether there is a correspondence between the verifying coupon information and the product information using the auxiliary computer subsystem. This step emphasizes the patentable aspect of conducting two separate steps related to reimbursing the retailer, namely: correspondence between verifying coupon information and input coupon information, as well as correspondence between verifying coupon information and product information.

If the rejection of Claim 24 should be continued, it is respectfully requested that it be pointed out with particularity how each and every step, including the separate steps of redeeming, determining and ascertaining, together with using a main computer subsystem and an auxiliary computer subsystem, are rendered obvious by the Rando patent. Unless a *prima facie* case can be

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made to that effect which is predicated on actual and clear disclosures in the Rando patent, Claim 24 should now be allowed.

Dependent Claims 25-31 further limit the combination of patentable steps recited in Claim 24. Claim 25 recites the step of withholding reimbursement to the retailer for one or more of the input coupons based on a lack of correspondence between input coupons and verifying coupons. Not only does the Rando patent fail to make any determination related to whether or not such a correspondence exists, it certainly is deficient in using that information to withhold reimbursement to a retailer. Claim 26 defines the step of communicating the input coupon information to include communicating additional coupon information. The additional coupon information is communicated to the auxiliary computer subsystem before the determining step related to input and verifying coupons is completed, but the determining step does not rely on this additional coupon information. As previously pointed out, such additional coupon information may be necessary to make a proper correspondence determination and this claim specifically limits the determining step to not relying on the additional coupon information. For the same reasons presented in the discussions of other dependent claims having this novel feature, the prior art cannot be relied on to reject this claim. Claim 27, among other things, limits the reimbursing step to include printing a check made out to the retailer or providing an electronic fund transfer to the retailer within five days of completing all the inputting steps. As previously urged, Applicant's particular way of reimbursing as required by Claim 27 is not found in the prior art. Claim 28 calls for the additional step of shipping the first plurality of input coupons and which shipping is conducted without clearing the coupons by a coupon clearinghouse. This further step contrasts strikingly with known prior art methods that can take several weeks to reimburse the retailer. Because of the present invention, reimbursement to the retailer can be made on a prompt basis. Claim 29 further limits reimbursement to the retailer by requiring an ascertainment of correspondence between the products purchased and the verifying coupon information. Claim 30 further limits the reimbursing step to include transferring ownership rights. Claim 31 includes the further step of submitting an invoice for payment related to the redeemed coupons by a third party who is independent of the retailer and which third party has received the ownership rights. In view of these key patentable differences, dependent Claims 23-31 should be allowed.

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Referring to new Claims 32 and 33, Claim 32 depends from Claim 1 and requires that the main computer system include a processor, a storage and a communications interface. The storage stores the input coupon information and the product information. The input coupon information and the product information are communicated to the auxiliary computer system using the communications interface. The Rando invention has no such combination of main computer system and auxiliary computer system. Instead, there is one system that includes a scanner. The alleged prior art described in the Rando patent does not have a storage that stores the input coupon information and product information for transmitting such information to an auxiliary computer system. Instead, a cable directly supplies product information between a product bar code scanner and an auxiliary coupon reader system. Claim 33 is similar in scope to Claim 32, but depends from Claim 24. Based on these patentable limitations, Claims 32 and 33 should be considered and found allowable.
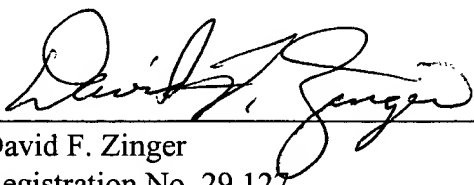
Attached hereto is a "Version With Markings to Show Changes Made" that indicates the amended claim language to the originally pending patent application claims.

Enclosed is a check in the amount of $9 to cover the fee for the additional dependent claims, with one dependent claim being canceled. Please credit any overpayment or debit any underpayment to Deposit Account No. 19-1970.

A sincere effort has been made to place the application in condition for allowance. Early notice of such allowance is, therefore, earnestly solicited.

Respectfully submitted,

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